

Message Text

LIMITED OFFICIAL USE

PAGE 01 WARSAW 00414 220910Z

70

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

AID-05 EB-07 CIEP-01 TRSE-00 STR-04 OMB-01 CEA-01

COME-00 FRB-03 XMB-02 OPIC-03 LAB-04 SIL-01 /091 W

----- 094252

R 220820Z JAN 76

FM AMEMBASSY WARSAW

TO SECSTATE WASHDC 9447

INFO AMEMBASSY MOSCOW

AMCONSUL MUNICH

AMCONSUL KRAKOW

AMCONSUL POZNAN

LIMITED OFFICIAL USE WARSAW 0414

E.O. 11652: N/A

TAGS: PINT, EGEN, PL

SUBJECT: TADEUSZ PYKA TO HEAD NEW DOMESTIC MARKET COUNCIL

REF WARSAW 7044, 10/24/75

1. PRIME MINISTER JAROSZEWCZ HAS CALLED INTO BEING A DOMESTIC MARKET COUNCIL TO BE CHAIRED BY VICE PREMIER TADEUSZ PYKA, ACCORDING TO A PRESS ANNOUNCEMENT ON JANUARY 20. ITS MEMBERS WILL INCLUDE MINISTER OF DOMESTIC TRADE AND SERVICES JERZY GAWRYSIAK, AS WELL AS MINISTERS OR VICE MINISTERS OF DEPARTMENTS. REPRESENTATIVES OF OTHER DEPARTMENTS, CENTRAL OFFICES, COOPERATIVES, THE ACADEMIC WORLD, AND "DISTINGUISHED" EXPERTS MAY ALSO BE INVITED TO PARTICIPATE IN THE COUNCIL'S WORK.

2. THE COUNCIL'S STATED PURPOSE IS TO ESTABLISH BETTER CONDITIONS FOR INFLUENCING THE SUPPLY OF THE MARKET AND THE EQUILIBRIUM BETWEEN MONEY AND GOODS. THE COUNCIL

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 WARSAW 00414 220910Z

WILL STUDY AND ADVISE THE GOVERNMENT ON QUESTIONS IN-

VOLVING INCOME AND EXPENDITURE BALANCES, QUANTITY AND
QUALITY OF PLANNED CONSUMER-GOODS SUPPLIES, AND THE
CURRENT NEEDS OF DOMESTIC TRADE.

3. PRESS ACCOUNTS SUGGEST AN IMPORTANT SUPERVISORY ROLE
FOR THE NEW COUNCIL AS WELL. IT WILL ANALYZE THE DEGREE
TO WHICH PRODUCERS SUCCEED IN SUPPLYING THE
MARKET. IT WILL MONITOR EFFORTS TO MODERNIZE PRODUCTIVE
AND MANUFACTURING CAPACITY AND WILL SEEK TO IMPROVE ECO-
NOMIC COOPERATIVE MECHANISMS AMONG INDUSTRIAL AND COMMER-
CIAL ORGANIZATIONS.

4. THE COUNCIL WILL HAVE A SPECIAL RELATIONSHIP WITH THE MINISTRY
OF DOMESTIC TRADE. IT WILL STUDY AND ASSESS LEVELS OF IN-
VESTMENT, EMPLOYMENT, AND THE WAGE FUND AS ALLOCATED TO
THE MINISTRY AND WILL ALSO EXAMINE THE ARRANGEMENT OF
BUSINESS ESTABLISHMENTS NECESSARY TO MODERNIZE COMMERCIAL
SERVICES. IT WILL FURTHER EVALUATE THE MINISTRY'S EFFEC-
TIVENESS IN UTILIZING THESE VARIOUS RESOURCES.

5. COMMENT: ESTABLISHMENT OF THE COUNCIL AGAIN POINTS
UP THE GREAT AND INCREASING IMPORTANCE ATTACHED TO CON-
TINUED IMPROVEMENT OF THE DOMESTIC MARKET SITUATION.
IT FIXES TOP-LEVEL SUPERVISORY AND COORDINATING RE-
SPONSIBILITY IN ONE MAN--TADEUSZ PYKA. DEPENDING
ON THE FORCEFULNESS OF HIS LEADERSHIP, IT MAY ULTIMATELY
LEAD TO CONSOLIDATION OF THE WHOLE DOMESTIC-TRADE APPA-
RATUS.

6. SINCE PRICING IS AN ESSENTIAL PART OF THE MARKET-
EQUILIBRIUM EQUATION, IT IS PROBABLE THAT
PYKA AND HIS COUNCIL WILL PLAY A KEY ROLE IN FORMULATING
THE REGIME'S APPROACH TO THE LONG-AWAITED PRICE INCREASES.

7. PYKA WAS ELEVATED TO THE RANK OF VICE PREMIER
LAST OCTOBER 23, BUT HIS SPECIFIC DUTIES IN THAT POST WERE
NEVER PUBLICLY DEFINED; HE HAS REPORTEDLY BEEN EXERCISING
BROAD AUTHORITY IN ECONOMIC MATTERS, BUT WITHOUT A SPE-
CIFIC PORTFOLIO. HE HAD BEEN A DEPUTY CHAIRMAN OF THE
PLANNING COMMISSION, AND LAST OCTOBER'S PRESS ANNOUNCEMENT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 WARSAW 00414 220910Z

DID NOT INDICATE THAT HE WOULD RELINQUISH THIS POST;
THAT OF JANUARY 20 IS EQUALLY SILENT ON THIS POINT.
AT 45, PYKA IS HIGHLY REGARDED AS A SKILLED AND TOUGH-
MINDED ECONOMIST, PERHAPS MORE A THEORETICIAN THAN AN EXEC-
UTIVE. HE IS A GIEREK MAN AND SERVED 14 YEARS IN THE
KATOWICE PARTY LEADERSHIP. AS CHAIRMAN OF THE NEW COUN-
CIL, HE WILL HAVE KEY RESPONSIBILITY IN ONE OF THE MOST
CRITICAL AREAS OF THE GIEREK PROGRAM.

8. ON E OF THE MORE INTRIGUING ASPECTS OF PYKA'S LATEST
ASSIGNMENT IS WHETHER HE HAS BEEN GIVEN ADDITIONAL AU-
THORITY SO AS TO BALANCE THAT OF PLANNING COMMISSION
CHAIRMAN (AND VICE PREMIER) WRZASZCZYK, WHO ACCORDING TO INFORMED
GOSSIP, IS JAROSZEWICZ'S MAN.

WHILE WRZASZCZYK'S PRIMARY ASSIGNMENT REMAINS THAT OF
GETTING POLAND FIRMLY INTO THE RANKS
OF THE HIGHLY INDUSTRIALIZED POWERS, THAT OF PYKA MIGHT
BE TO ENSURE THAT ALL APPROPRIATE MEASURES WILL BE
TAKEN TO MAINTAIN PUBLIC TRANQUILITY IN THE FORM OF A
CONTENTED WORK FORCE. HAVING CREATED A SPECIFIC
ECONOMIC INSTRUMENT TO WORRY ABOUT MARKET SUPPLIES, THE
LEADERSHIP NO DOUBT HOPES THAT IT WILL BE ABLE TO STEP
BACK A LITTLE FROM DAILY INVOLVEMENT IN THE BATTLE OF
THE MEAT COUNTER, AND GAIN THE NECESSARY DISTANCE TO ENABLE IT
TO SHAPE THE KINDS OF DECISIONS WHICH WOULD PRECLUDE A RE-
PETITION OF THE DECEMBER, 1970, EVENTS.

9. PYKA'S IS A MOST DIFFICULT AND POLITICALLY DELICATE
ASSIGNMENT. ALTHOUGH THE EXTENT OF HIS AUTHORITY TO
ACT IS NOT SO CLEARLY DRAWN AS IS HIS RESPONSIBILITY
FOR ADVISING THE GOVERNMENT, HE IS LIKELY TO BE HELD
ACCOUNTABLE BY THE PUBLIC, AND PERHAPS WITHIN THE GOV-
ERNMENT AS WELL, FOR ANY CONTINUING SHORTAGE OF MARKET
SUPPLIES. HE MAY ALSO BEAR THE ONUS FOR PRICE INCREA-
SES INTRODUCED DURING HIS TENURE.

DAVIES

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PERSONNEL MOVEMENTS, MINISTER COUNSELORS, CENTRAL GOVERNMENT
Control Number: n/a
Copy: SINGLE
Draft Date: 22 JAN 1976
Decapton Date: 01 JAN 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976WARSAW00414
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760025-0162
From: WARSAW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760130/aaaabafh.tel
Line Count: 143
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 WARSAW 7044
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 26 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 APR 2004 by izenbei0>; APPROVED <13 MAY 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TADEUSZ PYKA TO HEAD NEW DOMESTIC MARKET COUNCIL
TAGS: PINT, EGEN, PL, (PYKA, TADEUSZ)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006